



The State of New Hampshire
Department of Environmental Services



Michael P. Nolin
Commissioner

March 7, 2006

The Honorable Bob Odell
Chairman, Senate Energy and Economic Development Committee
Room 102
Legislative Office Building
Concord, NH 03301

RE: HB 1146 An act establishing a committee to study renewable portfolio standards.

Dear Chairman Odell and Members of the Committee:

The New Hampshire Department of Environmental Services (NHDES) appreciates the opportunity to testify regarding HB1146 that would establish a committee to study renewable portfolio standards. DES supports development of a renewable portfolio standard for New Hampshire, as it would encourage the use of less polluting renewable fuels and the development of associated technologies.

The NHDES supports the continued use of renewable energy systems to help reduce reliance on fossil fuels for power generation. The impacts to human health and the environment from fossil-fuel combustion emissions are also a major concern. These impacts include increased incidence of respiratory illness (asthma) and other health related problems, ground level ozone, acid rain, regional haze, and climate change. In addition to environmental and public health benefits, generation of electricity from renewable energy resources also improves energy security by increasing fuel diversity and encouraging alternatives to fossil fuels for distributed energy generation. The continued operation of less polluting energy generation technologies that diversify the state's energy generation portfolio reduces electricity supply shortages, price spikes, and harmful air pollutant emissions.

There are a number of states in New England that have established renewable portfolio standards. These programs require suppliers of electricity to obtain renewable energy certificates for a portion of their total energy portfolio. Currently, the Whitefield Power and Light facility receives certificates from Connecticut. The Public Service Company of New Hampshire's Northern Wood Project, which will replace a coal boiler with a state-of-the-art wood burning plant, is slated to receive certificates from the Massachusetts market.

As you know, NHDES has also supported Senate Bill 314, an act establishing minimum renewable standers for energy portfolios, which passed out of the Energy and

Economic Development Committee with a recommendation of "ought to pass". NHDES still supports passage of SB314 but would support a committee to further study renewable portfolio standards if SB 314 fails to pass.

Developing a renewable portfolio standard is consistent with the public policy goals regarding environmental improvement established in **RSA Title 34 Public Utilities Chapter 374-F: 3, VIII (Electric Utility Restructuring)**, which calls for a meaningful increase in the number of renewable energy resources and increased investment in improving renewable energy technologies. Establishing a renewable portfolio standard is also called for in the New Hampshire Energy Plan (November 2002) prepared by the Governor's Office of Energy and Community Services.

Supporting development of renewable energy resources further supports the principles of continued environmental protection and long-term environmental sustainability by moving toward lower emission energy sources.

Thank you for the opportunity to offer our comments regarding HB1146. If you have any questions regarding these comments, please feel free to contact Air Resources Division Director Robert Scott (271- 1088) or Joanne Morin (271-5552).

Sincerely,

Michael P. Nolin
Commissioner

cc: Members of the Energy and Economic Development Committee
 Representative Harvey
 Representative Ryan
 Senator Hassan
 Senator Green